

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of: : Carolyn Christine Ramsey-Catan
Serial No. : 09/973,356
Filed : October 9, 2001
For : TV SHOPPING MONITOR AND NOTIFICATION
SYSTEM
Group No. : 3625
Examiner : N.U. Haq

MAIL STOP APPEAL BRIEF – PATENTS

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

APPELLANT'S REPLY BRIEF ON APPEAL

This Reply Brief is submitted on behalf of Appellant for the application identified above.
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ARGUMENT

The Examiner's Answer insists that the teaching in *Headings et al* of "suspending" a transaction that cannot be completed necessarily involves holding that transaction for processing "during a subsequent period":

However, the examiner argued that the reference's teaching of "suspending" a transaction was an obvious variant of "holding" a transaction . . . Merriam-Webster's Collegiate Dictionary, tenth edition, defines the term "suspend" as follows: "*to set aside or make temporarily inoperative; to defer to a later time on specified conditions.*" Therefore, the limitation of ". . . processing during a subsequent period" is inherent in the definition of the word "suspend" because the term "suspend", as used by Headings, teaches of suggests to one of ordinary skill in the art that further processing takes place at a later time.

Examiner's Answer, pages 5-6. This argument by the Examiner completely ignores that the concept of "suspending" a transaction does NOT inherently include a particular duration. That is, the "later time" referenced by the Examiner does NOT necessarily occur "during a subsequent period." A "later time" (or "subsequent" time) does not necessarily mean a later period. Instead, as previously noted, the processing may occur during the current period based on a manual override. Alternatively, the processing may occur during the current period when additional funds are credited to the account, sufficient to cover the requested transaction.

The Examiner's Answer further argues that the limitation of "subsequent period" does require start of a new period:

The examiner disagrees and would like to point out that the claimed invention, as recited in claim 1 and 8, does not recite processing ". . . after a period-based limit is reset at the start of the subsequent period" or refreshing a period-based limit as argued by the Appellant. The Appellant appears to be incorporating limitations from the specification into the claim language.

Examiner's Answer, pages 6-7. However, the Examiner does not explain how "a subsequent period" could be reached WITHOUT expiration of the current period and start of a subsequent period (with or without one or more intervening periods).

The Examiner's Answer further argues that:

Headings does not teach or suggest that the processing is performed "during the same period" as alleged by the Appellant. This allegation is not supported by the disclosure of Headings. Headings states only that the transaction is suspended.

Examiner's Answer, page 7. Appellant respectfully notes that Headings does not teach that processing is performed "during a subsequent period" as alleged by the Examiner. THAT allegation is not supported by the disclosure of Headings. Headings states only that the transaction is suspended.

The Examiner's Answer alleges that Appellant asserts that a manual override is required by the system disclosed in *Headings et al.* Examiner's Answer, pages 7-8. Appellant made no such allegation. Instead, Appellant merely pointed out that a manual override during the current period was one possible event that would result in the system of *Headings et al* NOT processing the "suspended" request during a subsequent period. Moreover, manual overrides during a subsequent period are also possible within the system of *Headings et al*, highlighting the lack of any teaching whatsoever in *Headings et al* as to how the "suspended" transaction is subsequently handled (if not suspended indefinitely).

The Examiner's Answer still further argues:

There is no teaching or suggestion in the Appellant's claim language that the spending limit is a "period-based" spending limit. Regarding the limitation "subsequent period" at the end of claims 1 and 8, the examiner took the broadest

reasonable interpretation and concluded that this word meant "some point later in time."

Examiner's Answer, page 7. However, the Examiner's "interpretation" is not reasonable, and the claims DO specify period-based spending limits. The recitation of "a subsequent period" in claims 1 and 8 is not the only mention of periods in the claims. Dependent claims 2 and 9, which depend from claims 1 and 8, respectively, each recite "the remote purchase limit for a current period." These dependent claims thus explicitly recites that the purchase limit IS, in fact, period-based, despite the Examiner's protest to the contrary. Moreover, the dependent claims also differentiate "a subsequent period" from the period in which the transaction is requested – i.e., the "current period." The Examiner has ignored such differentiation of current and subsequent periods in adopting his purportedly "reasonable" interpretation of "subsequent period" as simply "some point later in time." Nor can the existence of both current and subsequent periods be squared with the interpretation proffered by the Examiner.

Finally, the Examiner's Answer asserts that the limitation of "processing during a subsequent period" is not entitled to any weight in evaluating patentability because it is a "functional" limitation within an apparatus claims. Examiner's Answer, page 8. However, the controlling authorities on this issue actually has exactly the opposite holding, stating that the law is clear that "[a] patent applicant is free to recite features of an apparatus either structurally or functionally." *In re Schreiber*, 128 F.3d at 1478, citing *In re Swinehart*, 439 F.2d 210, 212 (CCPA 1971). In other words, "there is nothing intrinsically wrong with [defining something by what it does rather than what it is] in drafting patent claims." *In re Swinehart*, 439 F.2d at 212.

Although the MPEP is not cited in connection with the argument, the assertion within the

Examiner's Answer apparently is based upon the position set forth in the MPEP that apparatus claims must be distinguished over the prior art by structural limitations, not functional limitations:

While features of an apparatus may be recited either structurally or functionally, claims directed to an apparatus must be distinguished from the prior art in terms of structure rather than function. *In re Schreiber*, 128 F.3d 1473, 1477-78, 44 USPQ2d 1429, 1431-32 (Fed. Cir. 1997).

MPEP § 2114, page 2100-53 (8th ed. rev. 5 August 2006). However, the decision in *Schreiber* does NOT support the proposition that apparatus claims must be structurally distinguishable from the prior art. Rather, *Schreiber* notes that **if** the Patent Office has reason to believe that a function is inherently performed by the structure of a prior art reference, **then** the burden shifts to the applicant to establish that the function is not, in fact, performed by that structure:

[W]here the Patent Office has reason to believe that a functional limitation asserted to be critical for establishing novelty in the claimed subject matter may, in fact, be an inherent characteristic of the prior art, it possesses the authority to require the applicant to prove that the subject matter shown to be in the prior art does not possess the characteristic relied on.

In re Schreiber, 128 F.3d at 1478, quoting *In re Swinehart*, 439 F.2d at 213. *Headings et al* does not teach an identical structure, and there is no reason to suspect that the structure of *Headings et al* could perform the recited function without modification.

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PATENT

As previously noted, the cited reference does not depict or describe all features of the claimed invention in the appealed claims. Therefore, the rejection under 35 U.S.C. § 103 are improper. Applicant respectfully requests that the Board of Appeals reverse the decision of the Examiner below rejecting pending claims 1-3 and 8-10 in the application.

Respectfully submitted,

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Date:

Dec. 28, 2006



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